United States Court of Appeals for the Second Circuit



APPENDIX

NO. 76-6156

UNITED STATES COURT of APPEALS

FOR THE SECOND CIRCUIT

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SAMUEL M. KAYNARD, REGIONAL DIRECTOR OF REGION 29 OF THE NATIONAL LABOR RELATIONS BOARD, FOR AND ON BEHALF OF THE NATIONAL LABOR RELATIONS BOARD

Plaintiff - Appellant

JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY AND PENSION COMMITTEE, JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY, AND TRUSTEES OF THE PENSION HOSPITALIZATION AND BENEFIT PLAN OF THE ELECTRICAL INDUSTRY, AS NAMED IN APPENDIX A,

Defendants - Appellees.

ON APPEAL FROM AN ORDER OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

> APPENDIX VOLUME I



PAGINATION AS IN ORIGINAL COPY

UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

SAMUEL M. KAYNARD, REGIONAL DIRECTOR OF REGION 29 OF THE NATIONAL LABOR RELATIONS BOARD, FOR AND ON BEHALF OF THE NATIONAL LABOR RELATIONS BOARD,

Plaintiff-Appellant

versus

JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY AND PENSION COMMITTEE, JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY, AND TRUSTEES OF THE PENSION HOSPITALIZATION AND BENEFIT PLAN OF THE ELECTRICAL INDUSTRY, AS NAMED IN APPENDIX A,

Defendants-Appellees

On Appeal from an Order of the United States District Court for the Eastern District of New York

> APPENDIX VOLUME I

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CAUSE

ion 10(j) of the National Labor Relations Act, 29 USC §160(j) - xxx request injunctive relief pending final determination of the N.L.R.B.

ATTORNEYS

For PLNTFF:
HOWARD EDELMAN, ESQ.
NATIONAL LABOR RELATIONS BOARD
REGION 29
16 COURT STREET
BKLYN, NY 11241

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UNITED STATES DISTRICT COURT
FOR THE BASTERN DISTRICT OF HEN YORK

SAMUEL M. KAYNARD, Regional Director of *

Region 29 of the National Labor Relations Board, for and on behalf of the NATIONAL LABOR RULATIONS FOARD,

Petitioner

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JOINT INDUSTRY ECHED OF THE ELECTRICAL INDUSTRY AND PENSION COMMITTEE, JOINT INDUSTRY EOARD OF THE ELECTRICAL INDUSTRY, AND TRUSTEES OF THE PENSION HOSPITALIZATION AND BENEFIT PLAN OF THE ELECTRICAL INDUSTRY, AS NAMED IN APPENDIX A

SECTION 10(1) OF THE NATIONAL LABOR RELATIONS ACT, AS AMENDED

To the Honorable, the Judges of the United States District Court for the Eastern District of New York:

Comes now Samuel M. Kaynard, Regional Director of Region 29 of the National Labor Relations Board, herein called the Board, and petitions this Court for and on behalf of the Board, pursuant to Section 10(j) of the National Labor Relations Act as amended 61 Stat. 149; 73 Stat. 544; 29 U.S.C., Sec. 160(j); herein called the Act, for appropriate injuctive relief pending the final disposition of the matters involved herein pending before the Board on charges alleging that the respondent has emgaged in, and is engaging in, acts and conduct in violation of Section 8(a)(1), (3) and (5) of the Act. In support thereof, petitioner respectfully shows as follows:

- Petitioner is Regional Director of Region 29 of the Board, an agency of the United States, and files this petition for and on behalf of the Board.
- Jurisdiction of this Court is invoked pursuant to Section 10(j) of the Act.
- 3. On June 7, 1976, the General Counsel of the Board, on behalf of the Board, by petitioner issued a Complaint and Notice of Hearing in

Case No. 29-CA-4989, pursuant to Section 10(b) of the Act, alleging inter alis: that respondent has engaged, and is engaging in unfair labor practices within the meaning of Section 8(a)(1)(3) and (5) of the Act. A copy of the Complaint is attached hereto as Exhibit 1, and made a part hereof.

A hearing on the Complaint was held July 19, 20, 21 and 23, before an Administrative Law Judge of the Board. This hearing closed on July 23.

The case is presently under consideration by the Administrative Law Judge.

- 4. There is reasonable cause to believe that the allegations set forth in the Complaint are true and that respondent has engaged, and is a engating in the unfair labor practices alleged in the Complaint, and affecting commerce within the meaning of Section 2(6) and (?) of the Act.

 More particularly, there is reasonable cause to believe that respondent is interfering with, restraining and coercing its employees in the exercise of their rights guaranteed in Section 7 of the Act, and is discriminating in regard to hire or tenure of employment and other terms and conditions of employment to discourage membership in a labor organization and is refusing to bargain collectively with the representative of their employees, subject to the provisions of Section 9(a) of the Act. In support thereof, and of the request for injunctive relief herein, petitioner shows as follows:
- exempt association doing business in the State of New York having its principal office and place of business located at 158-11 Jewel Avenue, County of Queens, City and State of New York, where it is, and has been at all times material herein inter alia, continuously engaged in maintaining and administering trust funds established pursuant to collective bargaining agreements and declarations and agreements of trust by and between Local Union No. 3, International Brotherhood of Electrical Workers, AFL-CIO, and various Employers and Employer Associations in the electrical industry engaged in commerce and in industries affecting commerce, including Broadway Maintenance Corp. and Fluorescent Maintenance Association, for the purpose

of providing, inter alia, dental, medical, hospitalization, pension and other related benefits for the employees covered by said collective bargaining agreements and declarations and agreements of trust.

- (b) To effectuate the administration of the various employee benefits described above in subparagraph (a), the Joint Industry Ecord of the Electrical Industry has established the Pension Committee of the Joint Industry Board of the Electrical Industry, herein called the Fension Committee.
- (c) At all times material herein the individuals named in Appendix

 A attached hereto and made a part hereof, have been Trustees of the Pension

 Committee.
- (d) Joint Industry Board of the Electrical Industry, and the Pension Cormittee and its Trustees named in Appendix A, herein collectively called the respondent, are, and at all times material herein, have been affiliated enterprises with common officers, directors and trustees, and constitute a single integrated enterprise; the said directors and trustees formulate and administer a common labor policy affecting the employees of respondent.
- (e) During the past year, which period is representative of its annual operations generally, respondent, in the course and conduct of its business operations, received payments in excess of \$50,000 from Employers and Employer Associations engaged in commerce including inter alia. Broadway Maintenance Corp. and Fluorescent Maintenance Association.
- (f) During the past year, which period is representative of its annual operations generally, respondent, in the course and conduct of its medical and dental clinics and other business purchased and caused to be transported and delivered to its place of business, dental and medical equipment and supplies and other goods and materials valued in excess of \$50.000 of which goods and materials valued in excess of \$50.000 were transported and medivered to its place of business in interstate commerce directly from states of the United States other than the state of New York.

- (g) Respondent, is and has been at all times material herein an employer engaged in commerce within the meaning of Section 2(2), (6) and (7) of the Act.
- (h) The Union is, and has been at all times material heroin, a labor organization within the meaning of Section 2(5) of the Act.
- (i) Dr. Sindey Krauss, Dr. Paul Brunetto and Joseph DeAngelo, are and have been at all times material herein, the Director of the Dental Clinic, Assistant Director of the Dental Clinic, and the Director of Health Services, respectively, agents of Respondent, acting on its behalf, and supervisors thereof within the meaning of Section 2(11) of the Act.
- (j) All the dentists employed by respondent at its Flushing,
 New York dental clinic, but excluding all other employees, guards and
 supervisors as defined in Section 2(11) of the Act constitute a unit
 appropriate for the purposes of collective bargaining within the meaning
 of Section 9(b) of the Act.
- (k) On or about March 14, 1976, the Union commenced an organizational compaign among respondent's employees in the unit described above in subparagraph (j).
- (1) On or about March 15, 1976, a majority of the employees of respondent, in the unit described above in subparagraph (j), designated and selected the Union as their representative for the purposes of collective bargaining with respondent, and at all times since said date the Union by virtue of Section 9(a) of the Act, has been, and is now, the exclusive representative of all the employees in said unit for the purposes of collective bargaining.
- (m) On or about March 15, 1976, the Union requested respondent to recognize it as the exclusive collective bargaining representative of Respondent's employees in the unit described above in subparagraph (j) and requested respondent to bargain collectively with it as the exclusive collective bargaining representative of respondent's employees in the unit described above in subparagraph (j), with respect to rates of pay,

wages, hours of employment and other terms and conditions of employment of such employees.

- (a) On or about March 15, 1976, respondent refused, and since said date has continued to refuse, to recognize and to bargain collectively with the Union as the exclusive collective bargaining representative of Respondent employees in the unit described above in subparagraph (j).
- (o) On March 17, 1976, the Union filed a petition in Case No. 29-RC-3334 for an election to determine whether a majority of respondent's employees in the unit described above in subparagraph (j) wished it to represent them for purposes of collective bargaining within the meaning of the Act.
- (p) On April 21, 1976, the Regional Director for Region 29 issued a Decision and Mirection of Election in Case No. 29-RC-3343.
- (q) On May 13, 1976 respondent's Request for Review of the Regional Director's Decision was denied by direction of the National Labor Relations Board, citing Tropicana Products Inc. 122 NLR3 121.
- (r) On May 21, 1976, representation election was conducted in which respondent challenged the ballots of all the voters.
- (a) On June 29, 1976, the Union requested permission to withdraw the petition Case No. 29-RC-3343 described above in subparagraphs (o)(p) (q) and (r) and on July 2, 1976 the Regional Director for Region 29 issued an Order permitting withdrawal of Petition.
- (t) On or about various dates presently unknown during the months

 and April 1976, respondent, by Dr. Sidney Krauss, its Director of
 the Dental Clinic, agent and supervisor, interrogated its employees
 concerning the employees' membership in, activities on behalf of, and sympathy
 in, and for the Union.
- (u) On or about March 31, 1976, and on various other dates

 presently unknown during the months of March and April, 1976, respondent

 by Dr. Sidney Krauss, its Director of the Dental Clinic, agent and supervisor,

 and by Dr. Paul Brunetto, Assistant Director of the Dental Clinic, agent

 and supervisor, warned and directed its employees to refrain from becoming

 or remaining members of the Union, and to refrain from giving any assistance

 or support to it.

- (v) On or about March 24, April 1, April 5, April 22, April 23 and April 26, 1976, respondent by Dr. Sidney Krauss, its Director of the Dental Clinic, agent and supervisor, and by Joseph DeAngelo, its Director of Health Services, agent and supervisor, harassed its employees, by accusing them of starting rumors, of engaging in sabotage, of performing inadequate work and subjecting them to stricter and closer supervision than they heretoforewere given.
- (w) On or about various dates presently unknown during March and April 1976 and May 5, 1976 respondent by Dr. Sidney Krauss, its Director of the Dental Clinic, agent and supervisor, declared to its employees that selection of the Union would be useless and that the Union would be unable to secure any benefits for them.
- (x) On or about May 5, 1976, respondent by Dr. Sidney Krauss, its Director of the Dental Clinic, agent and supervisor, declared to its employees that should employees fail to vote for the Union in the election described above in subparagraph (p), the respondent would reopen its dental clinic which it had closed on about April 30, 1976 as described below in subparagraph (y), and that the employees would be better off with a labor organization affiliated with the AFL-CIO.
- (y) On or about April 30, 1976, respondent ceased the operation of and closed its dental clinic.
- (z) On or about April 30, 1976, respondent discharged the following named dentists:

Dr. Joseph Alcalay
Dr. Paul Brunetto
Dr. Herbert Buchholz
Dr. Sidney Calem
Dr. Ralph Corliss
Dr. Theodore Eiges
Dr. Rudolph Falkin
Dr. Martin Garfield
Dr. Felix Glass
Dr. Gus Goldberg
Dr. Milton Goldsmith

Dr. Benjamin Gould Dr. Monty Greenwood Dr. Hyman Grossman

Lr. Lester Katz Dr. James Kennedy Dr. Sidney Kobrin

Dr. Robert Kramer

Dr. Seymour Levine

Dr. Jules Manford

Dr. Lawrence Miller

Dr. Sidney Miller

Dr. Irving Nachbar

Dr. Edgar Nash

Dr. Gerald Nesse

Dr.Stephen Rosen

Dr. Morris Ross

Dr. Paul Schiff

Dr. Joseph Vierno Dr. John Warren

Dr. J. Wohlman

(aa) On or about various dates presently unknown during the month of May, 1976, respondent discharged the following named employees of the dental clinic:

Barbara Bernstein Phyliss Chenrick Sheryl Furman Clair Gallagher Sylvia Grubert Sharon Hutcherson Joan Kershak Pam Levy Airlia Paul

Bonnie Rauch
Billie Reinhart
Sylvia Sporn
Sherry Strauss
Helen Thompson
Leanne Williamson
Rita Casey
Donna Gardenfeld

- (bb) Since the date of the discharge of the employees, as described above in subparagraphs (2) and (aa), respondent has failed and refused to reinstate or offer to reinstate, said employees to their former or substantially equivalent positions of employment.
- (cc) Respondent discharged and thereafter failed and refused to reinstate its employees as described in subparagraphs (7), (aa) and (bb), and ceased the operation of and closed its dental clinic, as described above in subparagraph (y), because the employees named in subparagraph (z) joined and assisted the Union and engaged in other concerted activity for the purpose of collective bargaining and mutual aid and protection.
- (dd) Respondent engaged in the acts described above in paragraphs
 (t) through (cc) in order to undermine the Union and to destroy its
 majority status among the employees in the unit described above in
 subparagraph (j).
- (ee) By the acts described above in subparagraphs (n) and (t), through (cc) and by each of said acts, respondent interfered with, restrained and coerced, and is interfering with, restraining and coercing its employees in the exercise of the rights guaranteed in Section 7 of the Act, and thereby engaged in, and is engaging in, unfair labor practices affecting commerce within the meaning of Section 8(a)(1) and Section 2(6) and (7) of the Act, and thereby engaged in, and is engaging in, unfair labor practices affecting commerce within the meaning of Section 8(a)(1) and Section 2(6) and (7) of the Act.

- (ff) By the acts described above in subparagraphs (y) through (cc) and by each of said acts, respondent discriminated, and is discriminating in regard to the hire and tenure and terms and conditions of employment of its employees, thereby discouraging membership in a labor organization, and thereby engaging in, and is engaging in, unfair labor practices affecting commerce within the meaning of Section 8(a)(3) and Section 2(6) and (7) of the Act.
- (gg) By the Acts described above in paragraphs (n) and (t) through (dd), and by each of said acts, respondent refused to bargain collectively, and is refusing to bargain collectively with the representative of its employees, and thereby engaged in, and is engaging in, unfair labor practices affecting commerce within the meaning of Section 8(a)(5) and Section 2(6) and (7) of the Act.
- 5. Upon information and belief, unless the aforesaid flagrant unfair labor practices are immediately enjoined, a serious flouting of the Act will continue, with the result that enforcement of important provisions of the Act and of public policy will be thwarted before respondent can be placed under legal restraint through the regular procedure of Board order and an enforcement decree. Unless the injunctive relief prayed for is granted, i.e. restoration of the operation of the dental clinic, reinstatement of employees and an order to recognize and bargain with the Union, it may fairly be anticipated that by the time a final Board Order issues, respondent may no longer have facilities or equipment to operate a dental clinic and the absence of facilities, combined with the passage of time would arguably support respondents contention that a restoration remedy would be unduly burdensome and unfair. At present respondent posses all the facilities and equipment necessary to operate the dental clinic. Further, immediate restoration of the operation and reinstatement of employees is necessary to preserve support for the Union, which support will undoubtedly be substantially eroded in the absence of such relief. In addition, a bargaining order is necessary as the employees have duly chosen the union as their bargaining

representative but that choice has been frustrated by the respondent's unlawful conduct. To delay the affectuation of that choice for the substantial period required for a Board order would permit respondent to profit by its unlawful conduct. Further, the passage of time would undermine employee support for their new bargaining representative.

Moreover, absent a bargaining order now, the employees will lose the possible benefits of collective bargaining, which loss cannot be retroactively remedied.

- 6. Upon information and belief, to avoid the serious results referred to above, it is essential, just and proper, and appropriate for the purposes of effectuating the policies of the Act and avoiding substantial, irreparable and immediate injury to such policies, and to the employees of respondent, and in accordance with the purposes of Section 10(j) of the Act, that, pending the final disposition of the matters involved pending before the Board, that respondent be enjoined and restrained as herein prayed.
 - 7. No previous application has been made for the relief requested herein.
 WHEREFORE, petitioner prays:
- 1. That the Court issue an order directing respondent to appear before this Court, at a time and place fixed by the Court, and to show cause, if any there be, why an injunction should not issue enjoining and restraining respondent, its officers, representatives, agents, servants employees, attorneys, successors, and assigns, and all persons acting in concert or participation with them, pending the final disposition of the matters involved herein pending before the Board, as follows:
 - A. Enjoining and restraining respondent from:
- (1) Refusing to recognize or bargain with the Union as the exclusive collective bargaining representative of its employees in a unit consisting of all denticts employed by respondent at its Flushing, New York dental clinic exclusive of all other employees, guards and supervisors as defined in Section 2(11) of the Act.

- (2) Interrogating its employees concerning their membership in or activities on behalf of or sympathy in and for the Union.
- (3) Warning or directing its employees to refrain from becoming or remaining members of the Union, or to refrain from giving any assistance or support to it.
- (4) Harassing its employees by accusing them of starting rumors, or of engaging in sabotage, or of performing inadequate work or subjecting them to stricter or closer supervision then they were previously given.
- (5) Threatening its employees that selection of the Union as their bargaining representative would be useless or that the Union would be unable to secure any benefits for them, or that they would be better off selecting a labor organization affiliated with the AFL-CIO, or that unless they voted against the Union in an NLRB election respondent would not reopen its clinic.
- (6) Discouraging membership in the Union by ceasing the operation, or closing its dental clinic, or discharging or refusing to reinstate its employees, or in any other manner discriminating in regard to hire or tenure of employment, or any other term or condition of employment.
- (7) In any other manner interfering with, restraining or coercing its employees in the exercise of their rights guaranteed in Section 7 of the Act.
 - B. Ordering and directing respondent to:
- (1) Restore, reopen, and operate its Flushing, New York, dental clinic on the same basis as it had previously operated said clinic.
- (2) Offer to all its dentists and other employees formerly employed at is Flushing, New York, dental clinic as of April 29, 1976, immediate and full reinstatement to their former positions of employment, without prejudice to their seniority or other rights or privileges.
- (3) Recognize and bargain collectively with the Union, upon request, as the exclusive collective bargaining representative in a unit consisting of all dentists employed by respondent at its Flushing, New York dental clinic exclusive of all other employees, guards and

supervisors as defined in Section 2(11) of the Act, with regard to grievances, labor disputes, wages, rates of pay, hours of employment, or other conditions of employment.

- (4) That upon return of said order to show cause, the Court issue an order enjoining and restraining the respondents and ordering and directing said respondents to take certain affirmative action in the manner set forth above.
- (5) That the Court grant such further and other relief as may be just and proper.

Dated at Brooklyn, New York this day of August , 1976.

/s/ Samuel M. Kaynard
Samuel M. Kaynard
Regional Director, Region 29
National Labor Relations Board

JOHN S. IRVING, General Counsel

JOHN E. HIGGINS
Deputy General Counsel

HAROLD J. DATZ
Associate General Counsel

HAROLD L. RICHMAN
Regional Attorney

HOWARD EDELMAN Attorney

NATIONAL LABOR RELATIONS BOARD 16 Court Street Brooklyn, New York 11241 (212) 330-7212 (212) 330-7713

APPENDIX A

TRUSTEES

ALFRED P. MINERVINI Chairman

GEORGE W. KLEINKNECHT Treasurer

THOMAS VAN ARSDALE Secretary

GEORGE SCHUCK, JR. Trustee

HON ROBERT F. WAGNER Public Member

EMPLOYER REPRESENTATIVES

JAMES ANDREWS
ALLEN D. RISCHBACH
D. BERT HARING
EFREM A. KAHM
THEODORE KAISH
GEORGE W. KLEINKNECHT
JOHN J. MARCATO
ALFRED P. MINERVINI
CHARLES SALZHAUER
HERBERT TIPPERMAN

EMPLOYEE REPRESENTATIVES

JOSEPH CHALOUPKA
HARRY J. GAVIN
WALTER INESON
JOHN KROMER
FRANK MONTEMAGNO
CHRISTOPHER PLUNKETT
GEORGE SCHUCK, JR.
FREDERICK STEIN
HARRY VAN ARSDALE JR.
THOMAS VAN ARSDALE

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

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SAMUEL M. KAYNARD, Regional Director
of Region 29 of the National Labor
Relations Board, for and on behalf of
the NATICNAL LABOR RELATIONS BOARD

Petitioner

v.

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JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY AND PENSION COMMITTEF, JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY, AND TRUSTEES OF THE PENSION HOSPITALIZATION AND BENEFIT PLAN OF THE ELECTRICAL INDUSTRY, AS NAMED IN APPENDIX A

Respondent

ORDER TO SHOW CAUSE

The petition of Sameul M. Kaynard, Regional Director of Region 29 of the National Labor Relations Board, having been filed pursuant to Section 10(j) of the National Labor Relations Act, as amended, praying for issuance of an order to show cause why an injunction should not issue enjoining and restraining Joint Industry Board of the Electrical Industry and Pension Committee, Joint Industry Board of the Electrical Industry, and Trustees of the Pension, Hospitalization and Benefit plan of the Electrical Industry, herein collectively called respondent, from engaging in certain acts and conduct in violation of said Act, pending the final disposition of the matters involved pending before said Board, and good cause appearing therefor,

United States Court Court Room # , 225 Cadman Plaza East,
Brooklyn, New York, on the day of 1976, at a.m. or
as soon thereafter as counsel can be heard, and then and there show
cause, if any there be, why pending the final disposition of the matters
involved pending before the National Labor Relations Board, respondent, its
officers, representatives, agents, servants, employees, attorneys, and all
members and persons acting in concert or participation with it, should
not be enjoined and restrained as prayed in said petition; and

IT IS FURTHER ORDERED that respondent file an answer to the allegations of said petition with the Clerk of this Court, and serve a copy thereof upon petitioner at his office located at 16 Court Street, Brocklyn, New York, on or before the day of 1976; and

IT IS FUETHER ORDERED that service of a copy of this order, together with a copy of the petition and exhibits upon which it is issued, be forthwith made by a United States Marshal, or by an agent of petitioner, upon respondent and upon Local 277, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, herein called the Union, the charging party before the Board, in any manner provided in the Rules of Civil Procedure for the United States District Court, or by registered mail, on or before 1976, and that proof of such service be filed herein.

Done at Brooklyn, New York this day of August, 1976.

UNITED STATES DISTRICT JUDGE

2 UNITED STATES DISTRICT COURT 3 EASTERN DISTRICT OF NOW YORK 4 5 . SAMUEL KAYNARD, Petitioner. 6 -against-: 76-C-1465 7 Joint Industry Board of the : Electricial Industry and 8 Pension Committee, et al., : 9 Respondents. : 10 11 United States Courthouse Brooklyn, New York 12 August 10, 1976 13 1:15 o'clock P.M. 14 15 Before: 16 HONORABLE JACK B. WILLISTEIN, U.S.D.J. 17 I hereby certify that the foregoing is a true and accurate transcript from my stenographic notes in this proceeding. 18 19 20 Official Court Reporter U. S. District Court 21 22 RAYTOND STALITIE ACTING OFFICIAL COURT PEPORTER 23

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Appearances:

HOWARD EDELMAN, ESQ.
Attorney for Petitioner

IRMIN GENLER, ESQ.
Attorney for Respondents

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THE CLERK: Samuel Raynard v. Joint Industry

Board of the Electrical Industry and Pension .

Committee, et al.

THE COURT: Who is the attorney for Mr. Kaynar

MR. EDELMAN: I am, Howard Edelman.

THE COURT: I have read your papers.

MR. EDELMAN: Do you want to hear about the case?

THE COURT: You are seeking an extraordinary relief. Is there any dispute about the facts in the case?

MR. EDELMAN: I imagine there is a dispute as to the conclusion. We claim that the evidence is clear that the Joint Board shut its dental clinic down in order to avoid recognizing and bargaining with the Teamsters Local 277. We feel that the evidence that was adduced in the hearing that was held in connection with this charge, which hearing has been closed, established not only a prima facie case, but established a solid case.

THE COURT: Do you have the record?

MR. EDELMAN: Yes, I do.

THE COURT: Would you mark it in evidence?

MR. EDELMAN: Yes, I would be happy to.

Your Honor, this is the original. We haven't had any time to duplicate it. I take it we can submit this to you and at some point in time duplicate the record so we can have a copy.

These are the exhibits and the transcripts.

THE COURT: Mark this as a hearing exhibit

and list it as a bearing exhibit on your sheet.

THE CLERK: Official report of proceedings before the National Labor Relations Board received as Petitioner's Exhibit 1 in evidence.

THE COURT: Sentlemen, are you going to mark it a separate for the exhibits?

THE CLERK: Yes. Exhibits received in evidence as Petitioner's Exhibit 2.

THE COURT: Do you rest?

MR. EDELMAN: I would like to speak about the case.

THE COURT: Do you rest on your evidence?

MR. EDELMAN: Yes, no doubt about that.

THE COURT: What evidence does the respondent

MR. GELLER: Well, we are willing to stipulate for the record with some minor adjustment of a technical nature which we could make later.

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have?

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But there has been additional evidence that has developed since the closing of the hearing. I would like to get that into evidence, also and rather than offering it as testimony, although it is available in the form of the person, these two witnesses whom I have, the Director of Administration of the Joint Industry Board and the Assistant Director, but if Mr. Edelman is willing, we can put it in affidavit form, and I will tell him right now and your Honor what we intend to supplement the record with.

A question is raised at the hearing as to what measures the Joint Industry Board has taken to economize, in addition to closing the dental clinic and as background we introduced reports by the Board and we are running at a deficit at a rate of approximately \$6 million a year and they are increasing yearly to meet their proposition.

of July 31, 1976 indicates, this was a week after the closing on the New York building, the Union agreed to a twenty-five per cent cut in pay.

General counsel for Petitioner questioned whether any other measures had been taken. We would like to point out as one more item of evidence, in addition to what we already have, cuts in vacation

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pay and other items that were cut. We would like this to be put into evidence, not necessarily the newspaper itself, but by way of illustration of what I'm talking about.

THE COURT: Mark the paper.

MR. EDELMAN: I have no objection to the receipt of the document as much as it speaks for itself. I don't know the relevancy in what it has to do with the case.

THE COURT: Mark it.

THE COURT: Newspaper received in evidence as Respondent's A.

matter; at the hearing we showed that in addition to eliminating the dental clinic, which was running about a million dollars a year, this is a non-commercial enterprise and a million dollars came out of the general fund, not that it is not a very good cause, but the fund balance, if the condition of the construction industry keeps on going this way, there is no money coming in. The fund balance is diminishing

In addition to closing the dental clinic, we had plans, we were in the middle of plans to save twenty per cent of another major item and save another

recall, Mr. Edelman, we testified that we were beginning to make arrangements with three hospitals to accept direct payment, if we paid the hospital directly, rather than the member, if they accept the assignments. The hospitals, they will give a twenty per cent reduction. We have completed arrangements with five hospitals and that plan is well into the process of being implemented.

Also, I would like to bring the record up to date in that regard and there are people here who know most directly about it, if anything, and they are available --

THE COURT: I will assume they will so testify.

Swear one of the witnesses.

JOHN CALASCIBETTA, called as a
witness, having been first duly sworn by the Clerk
of the Court, took the stand and testified as follows:
DIRECT EXAMINATION
BY MR. GELLER:

Mould you briefly state the substance of your memorandum of April 23, 1976 to the Chairman and Joint Industry Board on the matter of reduction in cost for hospitalization, major-medical and other benefits plan by way

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of review?

medical benefits.

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In response to inquiries from the Chairman and at thedirection of the Chairman to cut costs, we had to investigate the aspects, the cash outlays of hospitalization and surgical,

I started dealing with hospitals, calling various hospitals and hospital administrators and whatever, with the idea towards reducing, you know, the bills that they submitted to us.

The most prevalent item that came up, by the fact we had never assigned benefits, we would never assign a check payment to a hospital.

As a bargaining point we threw that out on the table.

What has happened since April 23, 1976, with regard to implementing that plan?

We have had -- well, I just finished a discussion with Astoria General Hospital, whereupon an agreement was reached, if we were to add the benefits and pay the hospital directly, they would afford us a fifteen per cont a day or \$250 a day reduction, whichever is the greater in the hospital bill.

Have you actually made agreements with those hospitals to take less on the face amount of their bills?

1		Calascibetta-direct/cross 9
2	A	Such as this
3		THE COURT: That is sufficient.
4		Any cross-examination?
5		MR. EDELMAN: Just a little bit, your Henor.
6	CROSS-EXAMINAT	ION•
7	BY MR. EDELMAN	
8	Q	When did you first start the negotiations?
9	A	Around well, I started investigating in
10	February, earl	y March of the past year.
11	,Q	When did you actually
2		THE COURT: This past year?
3		THE WITNESS: 1976.
4	C	When did you actually begin negotiations with
15	other parties?	
6	. А	I discussed and negotiated as early as March
17	in saying that	we're talking about what you could afford, an
18	if we assigned	it, what could you do a a a a a a a -
9	· · · · · · · · · · · · · · · · · · ·	At what point in March?
0		Very early March.
1	Q	You don't recall the date?
2	А	No.
3	Q Do you	recall with whom your initial discussions

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were with?

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Yes.

Who was that?

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Astoria General Hospital was the first A hospital.

And how many other hospitals did you have discussions with?

A Mount Sinai, St. Francis Hospital, Flatbush General Hospital is another one.

About how many hospitals in all?

About five altogether.

We also, if I may include this, in talking to the hospital it isn't just talking to five hospitals. I have agreements from these people that we spoke to that I would get contrary to the hospital association meetings, the administrators, you know, groups, that we would be able to speak to and work with as a group. It is a matter of getting the foot in the door with a couple.

THE COURT: Anything further?

MR. EDELMAN: Yes, your Honor.

Over what period of time did you have these negotiations with the hospitals?

> A A couple of months. They are ongoing.

Since March?

Yes.

You had completed arrangements with how many

A Five.

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Those are the hospitals that you just

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mentioned?

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A Right.

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Q How much of a savings is involved today as

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far as the deficit goes in the percentage?

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A It will be on a general rule of thumb, it's

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fifteen to twenty per cent.

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Q By the arrangements that you have with the five hospitals you are eliminating fifteen or twenty per

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cent --

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A Of the hospital bill and payment from the hospitalization and major-medical benefits. In 1975 it was

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in excess of 9 million dollars.

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Q We're talking about the deficit. The deficit

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is a figure that is arrived at in calculating the loss of

the dental clinic and medical clinic and all the other

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benefits that the Joint Board provides; now, with respect

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to the deficit, total deficit, how much does this plan

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eliminato?

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something that could be computed at length from the

MR. GELLER: I object to it because it's

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finencial reports. He cen't do that. It would be

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wrong if he took a guess and he couldn't -
MR. EDELMAN: If he could answer it, maybe '
he's figured it out already.

A I'dagay twenty per cent of nine million
dollars that we have spent in the past year for hospitalization and major medical --

THE COURT: You're talking about a million and a half dollars.

THE WITNESS: A million and a half dollars.

I take it if you have a similar agreement with other hospitals, you would have a similar reduction.

You are able to get ten hospitals, it would be forty per cent?

A No.

Each?

A Each hospital is going to be twenty per cent.

If you pay a bill, twenty per cent of the expenditures for the year --

eliminate or tend to eliminate some of the deficit, I take it no benefit as far as the employees are concerned were eliminated; is that correct?

A That's not quite correct because if we paid the -- as we did in the past, we paid the members directly. He could receive payment from other areas, you know, there

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is a chance that he had his hands on the check and he could negotiate with the hospital. It was a direct payment.

Q Other than that, no benefits have been changed?

A In the long run the bills would be paid.

C In connection with the Joint Board, other than canceling or closing down the dental clinic, I take it there has been no further elimination of any other benefits; is that correct?

A Oh, yes, there have. We talked about reduction in other benefits before.

Rave any other facilities been closed, the rest home in Bayberry or the medical clinic, I take it, they are open, and the optical part of the medical clinic, that is still open, and I take it the members are still receiving their full coverage under the medical insurance and major medical plans?

A Yes.

MR. EDELMAN: I have no further questions.

THE COURT: Thank you.

(Witness excused.)

MR. GELLER: Your Honor, I do have some argument which I would ask your indulgence with.

THE COURT: I'll hear argument, but let me

see if I understand the proposition. The Government wants the Respondent to do two things. One, not to . divest itself of the physical assets of the dental clinic?

MR. EDELMAN: Right.

THE COURT: And two, put back all these people.

MR. EDELMAN: At the present time, your Honor, the facility is there because it is an office of Local 3. The clinic may have closed in the sense that the dentists are no longer working there.

THE COURT: You want them to hold the assets, the chairs and dental equipment?

MR. EDELMAN: That is one thing.

THE COURT: And then the other thing, you want them to open it and put all the personnel back?

MR. EDELMAN: That's another thing.

There is a third thing, and that is to recognize and bargain with the union. That would be Local 277.

THE COURT: Well, I can tell you based on what
I hear and based on an assumption that the record
will support what you said as a possible finding, I
don't have to make the finding that the Hearing

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Examiner would make. You understand all I have to do
is say there is a basis for such a belief. This
seems to be a matter of equity and the reasonable
way for me to handle it would be one, to order them
not to dispose of any assets and to keep everything
as it is; so that if the National Labor Relations
Board orders them to open again they can do it.

Secondly, I can order them to negotiate with the union pending a further order. There is an outstanding order for them to negotiate —

MR. GELLER: No.

MR. EDELMAN: Wo're seeking it.

THE COURT: Then I can't order it.

MR. EDELMAN: Not without a standing order --

maintaining the status quo. I won't order them to retain all these people. I have to take judicial notice of the problems here, not only in the industry, but in the cost of medical practice generally.

MR. EDELMAN: Well, your Honor, if I may --

THE COURT: If the NLRB succeeds in these proceedings there will be a retroactive order in which they will be responsible for all back pay.

MR. EDELMAN: That is true, except to the

extent, and this is the object, of course, to try to maintain the status quo, the real status quo is that. the clinic was open and the dentists were working. The question really before you is whether there is some reasonable basis to believe that the Respondent violated the act.

We think that the violation was a flagrant violation and obvious violation.

THE COURT: I understand. But this is a court of equity and I weigh both sides. I don't want to bankrupt the fund.

MR. EDELMAN: I can see all that. I may not agree with it, I can see your point of view concerning the bargaining order. I cannot see or agree with your point of view concerning --

THE COURT: It's quite a few people. Ecw much is the payroll?

MR. EDELMAN: I'm not sure what the payroll is. I know that it is a large clinic. I think the dentists were earning approximately \$20,000 a year, approximately thirty dentists on a part-time or full-time basis.

THE COURT: We're talking about at least a million dollars a year.

MR. EDELMAN: That's correct. We're still talking about the status quo and we're talking about employment. These dentists by and large are dentists that are in retirement from their regular profession and they are waiting to collect Social Security.

Most of them are elderly. It is a question of whether they can --

MR. EDELMAN: That issue, but unemployment insurance cannot compensate either monetarily or emotionally for the job that they have lost.

THE COURT: I understand your position and it is a very difficult one. This is a court of equity and the only order I can give you -- do they have enough assets to pay back the back pay if you sustain the order, how much assets --

MR. GELLER: We have a fund balance of a million dollars a year to apply towards further deficits.

THE COURT: How long do you think this will take to finish at the NLRB?

MR. EDELMAN: That's the real problem. The NLRB will take three or four months. It's a large case and it is an involved case. I would say three

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or four months from September, December or January
before the trial examiner issues his decision. I am
sure the trial examiner will issue --

THE COURT: I don't know why. The Trial Examiner, he has a small record. He could issue it off the bench.

MR. EDELMAN: That is not the way it happens and it is not a small record and it also involves substantial questions of law that are involved and this is the way the trial examiners work. I have no control over the function of a trial examiner.

THE COURT: I'm not going to give you full remedy, but I am going to require that the fund not set aside, but have a million dollars at least available for back pay.

MR. EDELMAN: Your Honor, if I may point out for further consideration in answer to your question, the trial examiner's decision generally takes three months. If there is an appeal I am sure and if we were to get a favorable result, it would be appealed. The Board's decision, unfortunately, takes that long and generally we have no control over it and it could take up to a year.

THE COURT: That is part of the equitable

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consideration. I cannot bleed the fund because of the incompetency or insufficiency of the NLRB. That is the situation we face.

Have you cut off all dental remedies?

MR. GELLER: Yes.

THE COURT: They are under pressure by their members, this isn't something they can do readily.

Please do this: Submit an order, one, they may not dispose of any assets and they shall keep the clinic in working order.

Two, they shall set aside as a reserve, one million dollars of their assets for the purpose of paying any back pay that is required.

Three, they shall negotiate with the union -MR. GELLER: You weren't going to order that,
your Honor.

THE COURT: I wasn't that's right. We agreed that; was not going to be part of the order.

MR. EDELMAN: I'll trade the negotiations for the reinstatement.

THE COURT: Three, they shall not in the interim subcontract this service or arrange to have this kind of dental service done by anyone else.

I do not want you to circumvent this by subcontractors

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or by setting up some kind of new clinic, directly or indirectly. If you want to close down the dental clinic and not care for your members, that's one thing. But if you want to punish these doctors and give the services to someone else, that is another.

MR. GELLER: It is a bit more complicated.
When you finish with your proposed order, may I comment on it?

THE COURT: That seems to be the essence of it.

MR. GELLER: There are some problems. There
is nothing fundamentally objectionable to what is
being said, but we have a lease which expires

December 31st. We do not have any current plans to
dispose of the chairs, but, you know, if we can find
a place to keep them, I guess --

THE COURT: You are just going to have to pay for the space.

MR. GELLER: We pay rent to the fund -THE COURT: You're going to have to pay that:
that is all.

MR. GELLER: On the question of subcontracting. there has never been any consideration of sub-contracting.

THE COURT: I'm glad to hear it.

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MR. GELLER: However, there are arrangements which were being considered. I don't know if it's still being considered, of perhaps letting some outsiderganization use the facilities for its clinic, none of whom are members that will be treated. We treated about 60,000 or 70,000 people. At least they were available for treatment.

THE COURT: A completely different organization, a completely independent trust fund?

MR. GELLER: G.H.D.I.

THE COURT: You can do anything you want in that respect.

MR. GELLER: They could move out if the Board finds --

THE COURT: I don't say you have to keep it empty. You can use it for ping-pong tables or dental clinic, as long as your members aren't treated through your fund.

MR. EDELMAN: What about arranging treatment of Local 3 members through G.H.I. and arranging that

THE COURT: No, they are not to pay directly or indirectly for any dental care to their members.

They will hear from their members.

Submit an order, the trial is completed.

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MR. EDELMAN: Very well.

THE COURT: Anything further?

MR. GELLER: Well, I did want to make one or two comments without keeping you too long.

THE COURT: It's a pleasure to hear you.

MR. GELLER: The Potitioner maintains it has constantly made statements that we committed a flagrant violation.

THE COURT: I can't do anything about it.
What is the point of my getting involved?

MR. GELLER: Without reading the record I understand that you are at a loss --

THE COURT: It doesn't make any difference.

My jurisdiction is to solely determine whether there
is a reasonable basis for their proceeding. Obviously
there is a reasonable basis. Whether they are right
or wrong. It is not for me to decide. It has to go
through the Hearing Examiner, the Board will have to
determine it. If there's an adverse decision, it will
go up to the Court of Appeals.

MR. EDELMAN: Correct.

THE COURT: So you will proceed.

MR. GELLER: I have nothing further.

THE COURT: Thank you very much, gentlemen.

(Whereupon, these proceedings were concluded.)

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UNITED STAIFS DISTRICT COUNT. FOR THE EASTERN DISTRICT OF NEW YORK

SAMUEL M. KAYNARD, Regional Director
of Region 29 of the National Labor
Relations Board, for and on behalf of
the NATIONAL LABOR RELATIONS BOARD
*

Petitioner

* 76 Civil 1465

JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY AND PENSION COMMITTEE, JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY, AND TRUSTEES OF THE PENSION HOSPITALIZATION AND BENEFIT PLAN OF THE ELECTRICAL INDUSTRY, AS NAMED IN APPENDIX A

v.

Respondent *

ORDER GRANTING TEMPORARY INJUNCTION

This cause came on to be heard upon the verified petition of Samuel M. Kaynard, Regional Director of Region 29 of the National Labor Relations Board, for and on behalf of said Board, for a temporary injunction pursuant to Section 10 (j) of the National Labor Relations Act, as amended, pending the final disposition of the matters involved pending before said Board, and upon the issuance of an order to show cause why injunctive relief should not be granted as prayed in said petition. The Court, upon consideration of the pleadings, evidence, briefs, argument of counsel, and the entire record in the case, has concluded that there is reasonable cause to believe that respondent has engaged in, and is engaging in, acts and conduct in violation of Section 8(a)(1)(3) and (5) of said Act, affecting commerce within the meaning of Sections 2(6) and (7) of said Act, and that such acts and conduct will likely be repeated or continued unless enjoined.

NOW, THEREFORE, upon the entire record, it is ORDERED, ADJUDGED AND DECREED that, pending the final disposition of the matters involved pending before the National Labor Relations Board, respondent Joint Industry Board of the Electrical Industry, and Trustees of the Pension, Hospitalization and Benefit Plan of the Electrical Industry, as named in

Appendix A, its officers, representative agents, servents, employees, attorneys, and any and all other persons acting in concert or participation with it, be and they hereby are:

- A. Enjoined and restrained from:
- 1. In any manner disposing of any of the assets of respondents' dental clinic, including the dental clinic facilities located at 158-11 Jewel Avenue, Flushing Queens, New York, the dental clinic equipment and supplies, and all ancillary office equipment and supplies.
- 2. In any manner, directly or indirectly, by subcontracting out, establishing a reimbursement plan, or otherwise providing dental services for members or families of members of Rocal 3, International Brotherhood of Electrical Workers, AFL-CIO.
- B. Ordered and directed to:
- 1. At all times maintain and preserve the dental clinic facility located at 158-11 Jewel Avenue, Flushing Queens, New York and all dental clinic equipment and ancillary equipment in complete and proper working order.
- 2. Set aside and segregrate from other assets, the sum of \$1,000,000 to be applied as back pay in the event the National Labor Relations Board issues an order in connection with its proceeding against respondent (Case No. 29-CA-4989) requiring respondents to provide for back pay to any or all of the alleged discriminatees set forth in the complaint therein.

Done at Brooklyn, New York, this 23 day of Mignet, 1976.

H white States district Judge

Sept 24 74

H clark will close the case Frak June

ABN R38

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

Samuel M. Kaynard, Regional Director

of Region 29 of the National Labor Relations Board, for and on behalf of the NATIONAL LABOR RELATIONS BOARD,

v.

Petitioner

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JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY AND PENSION COMMITTEE, JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY, AND TRUSTEES OF THE PENSION HOSPITALIZATION AND BENEFIT PLAN OF THE ELECTRICAL INDUSTRY, AS NAMED IN APPENDIX A

Respondent .

NOTICE OF APPEAL

76-Civil-1465

Notice is hereby given that Samuel M. Kaynard, Regional Director of the Twenty-Ninth Region of the National Labor Relations Board, for and on behalf of the National Labor Relations Board, petitioner-named above, hereby appeals to the United States Court of Appeals for the Second Circuit from the Order granting the petition for an injunction issued herein on August 10, 1976 insofar as it fails to require the Respondent to reopen its dental clinic, reinstate the discharged employees of the dental clinic and recognize and bargain with Local 277, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America.

Petitioner-Appellant hereby requests that a copy of this Notice of Appeal be served upon the following counsel for the Respondent-Appellee: Irwin Geller, Esquire, Menagh, Trainor and Rothfeld,

130 E. 40th Street, New York, New York 10016.

Dated at Washington, D.C. the 23rd day of September, 1976.

Milford Limesand

Deputy Assistant General Counsel National Labor Relations Board 1717 Pennsylvania Avenue, N.W. Washington, D.C. 20570

Washington, D.C. 20570 Telephone: (202) 254-9355